

**STATE OF ILLINOIS  
ILLINOIS COMMERCE COMMISSION**

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<b>Z-Tel Communications, Inc.</b>	:	
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<b>Complainant</b>	:	
	:	
<b>v.</b>	:	<b>Docket No. 02-0160</b>
	:	
<b>Illinois Bell Telephone Company, d/b/a Ameritech Illinois</b>	:	
	:	
<b>Respondent</b>	:	

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**ILLINOIS COMMERCE COMMISSION  
STAFF REPORT**

**I. ISSUE**

This Staff Report addresses whether Ameritech has provided Staff with adequate reports that are in accordance with the Commission's May 8, 2002 Order ("Final Order").

**II. BACKGROUND**

In this proceeding, the Commission found Ameritech to have unreasonably impaired the speed, quality or efficiency of services used by Z-Tel through the provisioning of late and inaccurate 836 LLNs as prohibited by 13-514(2). Final Order at 28. Similarly, Ameritech was found to have unreasonably provided Z-Tel inferior and discriminatory access to operations support systems ("OSS") in violation of 13-514(9), 13-514(11) and 13-801 of the Act. Id. Consequently, the Commission directed Ameritech to file reports with Staff to account for the corrective efforts taken on behalf of Ameritech to remedy the effects of its anti-competitive acts. Id.

### III. REQUIREMENTS OF FINAL ORDER

#### A. Parity Requirement

##### 1. Conclusion

As an interim solution, the Commission directed Ameritech to utilize the 836 LLN to inform both CLECs and Ameritech Win-back of lost customers. Final Order at 20. Ameritech was directed to implement this change as soon as possible, but no later than May 31, 2002. Id. Until Ameritech provides CLECs the option of receiving an enhanced notice, the Commission directed Ameritech Win-back personnel to only use the 836 LLN. Id. According to the Commission, once Ameritech has in place a system where Z-Tel can choose between the 836 LLN and/or a notice that contains as much information as that currently sent to Ameritech Win-back, then Ameritech Win-back may use the enhanced LLN again. Ameritech was directed to make this option available to Z-Tel by July 1, 2002. Id.

##### 2. Compliance

On July 3, 2002 Ameritech filed its Report to the Staff of the Illinois Commerce Commission in accordance with the Commission's May 8, 2002 Order ("Compliance Report"). With respect to the parity issue, Ameritech stated that it had taken the following actions relating to the requirements of the Final Order in this proceeding:

- As of May 15, 2002, Ameritech Illinois' retail business units began to rely exclusively upon the 836 Line Loss Notice (LLN). As of May 15, 2002 Ameritech retail's receipt of the "enhanced LLN" (hereinafter referred to as the "Local Loss Report") was discontinued. Id.
- Ameritech Illinois made available to Z-Tel and all CLECs the option of receiving the Local Loss Report on June 17, 2002. Id.

Accordingly, recognizing the Company's verified statements to support its compliance with the Final Order, Staff believes that Ameritech has complied with the parity requirements of the Final Order.

## **B. Customer Notification**

### **1. Conclusion**

The Commission directed Ameritech to send notification advising Ameritech customers that wrongful billing by Z-Tel may have been caused by Ameritech's failure to timely advise Z-Tel that the customer switched local service. Final Order at 22. The Commission adopted the following five recommendations proposed by Staff to foster the issue of customer notifications:

- 1) Ameritech is required to send a notice advising Ameritech customers that wrongful billing by Z-Tel may have been caused by Ameritech's failure to timely advise Z-Tel that the customer switched local service;
- 2) Such notification should be targeted to potentially affected customers, rather than all of Ameritech's customers;
- 3) This notice remedy is granted primarily on a going forward basis, unless previous customer information is available, and ends at such time as the line loss notification issue is resolved;
- 4) Z-Tel shall provide customer mailing information to Ameritech in situations where Ameritech does not have the appropriate customer; and
- 5) Staff is to review and approve customer notifications for purposes of ensuring that the information is clearly presented and reflects the ultimate decision of the Commission. Id.

### **2. Compliance**

Because Staff is not completely confident to state that Ameritech's line loss notification has been cured, Staff has asked Ameritech to add language to the customer notification that emphasizes the Company's efforts to cure and to continue to monitor the problems. Staff and Ameritech have agreed on the following language notice will state:

To Whom It May Concern:

You may have experienced double billing after discontinuing service with your previous local service provider Z-Tel Communications, Inc. (Z-Tel). If so, please be advised that the continued billing from Z-Tel, resulted

from SBC Ameritech-Illinois process issues that hampered Z-Tel from receiving a timely notice of your decision to change to another local service provider. Please be assured that SBC Ameritech believes that it has taken the necessary steps to identify and correct its processes and will continue to monitor the processes. Thank you for your understanding. This notice is being provided to you pursuant to the Illinois Commerce Commission's Order issued May 8, 2002 in Docket No. 02-0160.

## **C. Performance Measure (MI 13)**

### **1. Conclusion**

The Commission ordered Ameritech to redesign its line loss performance measure (MI 13) because the data reported by the Company did not account for loss notifications that were expected to be sent to losing carriers but failed. Final Order at 26. Consequently, for compliance purposes, Ameritech was ordered to provide reports to Staff describing its efforts in correcting the problems with MI 13. Id.

### **2. Compliance**

In its Compliance Report, Ameritech indicates that it proposes a new MI 13 performance measure as required by the Final Order to improve the measurement of the timeliness and accuracy of 836 LLNs Compliance Report at 3. The Company further indicated that its modifications to the performance measure are currently under review as part of the collaborative six-month review process. Id. Moreover, Ameritech states that the Company is unaware of any issues with the proposed measurement improvements surrounding line loss notices and that approval of the collaborative is expected at the July 17, 2002 meeting. Compliance Report Attachment 1b.

Ameritech's proposed modifications for purposes of improving MI 13 have been opposed by Staff from the start of the performance measurement six-month review process. Staff notes that Ameritech has knowledge of Staff's objections and therefore suggests that the Company's representations that the approval of the collaborative is expected, are misplaced.

Staff has worked with Ameritech and the other parties in the six-month review process and has communicated the aspects of the proposed measurement that Staff opposes. Staff believes the following modification should be made to Ameritech's proposed business rule for MI 13. Compliance Report Attachment 3.

**a. The calculation period for performance measurement MI 13 should be based upon calendar days and not business days.**

**b. The benchmark for MI 13 should be set at 97% and not 95%.**

Ameritech has modified the time interval in the proposed measurement from one hour of the completion notice being sent to the new carrier to one business day of completion of the work to disconnect the customer. Staff supports the modification to alter the start time for the measurement from the completion of the disconnect work. Staff believes that if Ameritech needs to alter the time interval to a day from one hour then it's appropriate to calculate the measure based upon calendar days as opposed to business days as Ameritech purports. In Staff's opinion, non-business days should be included in the measure since the line loss notification process is a mechanized one.

Moreover, Ameritech's performance measurement 7.1, which reports the timeliness aspect of notifying the winning carrier of work completion, is based upon calendar days and not business days. See Ameritech Performance Measure 7.1. In Staff's opinion, calculated time intervals that are associated with the Company's notification processes in its performance measures should be consistent. Although Ameritech's performance measure 7.1 sends notifications to winning carriers and MI 13 sends notifications losing carriers, Staff believes the purpose of these two performance measures, notification, is indistinguishable. As a result, Staff believes MI 13 should similarly be based on calendar days.

Similarly, the fact that the benchmark for 7.1 is 97%, Staff believes the same 97% benchmark should be applied to MI 13. Although Ameritech recommends the establishment of a 95% benchmark, the purpose of both measures, notification to carriers, is one in the same. If Ameritech is to change the notification interval to one day then the 95% requirement should be increased to 97%. Clearly, The Companies notification standards should remain consistent.

As stated above, Ameritech is required to alter performance measure MI 13 to account for loss notifications that are supposed to be sent to a losing carrier but are instead unsuccessfully sent. In the six-month collaborative review, Ameritech has suggested to Staff that it is

unable to include these missing line loss notices as part of performance measure MI 13 or any other performance measure.

To the extent that Ameritech is incapable of discovering line loss notification errors in performance measures, the Company has stated that it will continue to monitor its Safety Net reports on a daily basis and intends to continue to have cross-functional teams in place to ensure that problems do not recur. See Attachment 1a at 3. In the event that problems reoccur, the Company asserts that it plans to diligently detect and correct such problems. Id. Although Staff recognizes that the Company has taken action to control and prevent line loss notification problems, Staff believes that it is necessary for Ameritech to monitor its efforts. Accordingly, Staff recommends that the Company continue this monitoring practice on a daily basis.

## **D. Emergency Relief**

### **1. Conclusion**

Pursuant to an Emergency Order that granted Z-Tel a modified form of the emergency relief requested, Ameritech was required to delay sending Win-back materials for 17 days from when it loses a customer to Z-Tel. See Emergency Order dated March 13, 2002. In the Final Order, Ameritech was directed to continue providing Z-Tel with emergency relief until such time as Ameritech's Win-back marketing department relies solely on the 836 LLN and the defects in the 836 LLN systems have been cured. Final Order at 26. The Commission further directed Ameritech to file a report with Staff verifying that the 836 LLNs problems are, in fact, resolved and being provided in a timely and accurate manner. Id. The Commission indicated that if there is no filing by Staff disputing Ameritech's report, within 30 days from Ameritech's filing, then the 17 day restriction, pursuant to the Commission's Amendatory Order granting emergency relief, will be ended. Id.

### **2. Compliance**

As stated above, in its Final Order, the Commission requested that Ameritech continue to provide Z-Tel with emergency relief until such time as Ameritech's Win-back group relies only upon the 836 LLN and the defects in the 836 systems have been cured. See Final Order. In its Compliance Report, Ameritech stated, as of May 15, 2002, Ameritech Illinois' retail business units began to rely exclusively upon the 836 Line Loss Notice (LLN) and discontinued Ameritech retail's receipt of the enhanced LLN or local disconnect report. Compliance Report at 4.

Also in Ameritech's Compliance report, Ameritech states that the 836 LLN process has been corrected Id. However, Staff is reluctant to give Ameritech's assertions much weight. From Staff's standpoint, the Company has, at various points in time, made representations that the Company's LLN process has been corrected, which Staff later discovered to be inaccurate because additional LLN problems continued to reoccur. For example, one such instance was noted in Ameritech's Compliance Report;

"At the time the Record closed in this proceeding, Ameritech Illinois believed that the system change scheduled for May 3, 2002 (and completed May 4) would resolve the last remaining system issue in the 836 LLN process. However, implementation of this system change, while it addressed the problem it was designed to resolve, caused other system errors. Two additional system changes were required on May 29 and June 3, 002, to resolve the new issues."  
Compliance Report at 2.

In light of the above example provided by Ameritech, Staff is extremely reluctant to state that Ameritech's line loss notification problems have indeed been cured. Staff believes that the only way to ensure that these problems have been alleviated is to continue to monitor this situation over a period of time, as Ameritech has agreed it will. Id. In fact, Staff has essentially proposed the same recommendation in another Commission docket.

In the Ameritech 271 proceeding, Ameritech's cross-functional team and other monitoring aspects of the LLN problems were recommended by Staff to remain in place until Ameritech provides six months of LLN without uncovering any new problems and without any of the old problems reemerging. See ICC Docket No. 01-0662. Staff recommends that Ameritech's continue to apply the emergency relief as ordered by the Commission in this proceeding until Ameritech demonstrates a sustained period of six months with no line loss notifications problems appearing. Staff is confident that to require

#### **IV. STAFF RECOMMENDATION**

For the above reasons, Staff respectfully requests the Commission to consider and adopt its recommendations.

Respectfully submitted on August 2, 2002,

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Illinois Commerce Commission Staff  
Telecommunications Division  
Consumer Services Division



**Attachment 1** – Report to the Staff of the Illinois Commerce Commission in  
Accordance with the Commission's May 8, 2002 Order

**Should this be attached?**

**Attachment 2** - Existing business rule for performance measure MI 13

MI 13. Percent Loss Notification Within One Hour of Service Order Completion	
<b>Definition:</b>	
Percent notifications sent to the losing carrier (who lost the customer) within one hour of the completion notice sent to the new carrier.	
<b>Exclusions:</b>	
Customers who switch between segments owned by the same carrier such as: <ul style="list-style-type: none"><li>• Resale to UNE same carrier</li><li>• UNE to Resale, same carrier</li></ul>	
<b>Business Rules:</b>	
The percentage of customer loss notifications sent to carriers where the elapsed time from the time that the completion notice (EDI 865 message) is transmitted to the new carrier to the time that the loss notification (EDI 836 message) is transmitted to the new carrier is more than one hour.	
<b>Levels of Disaggregation:</b>	
<ul style="list-style-type: none"><li>• Resale</li><li>• UNE Loops</li><li>• LNP</li><li>• UNE-P</li></ul>	
Calculation:	Report Structure:
(# of Loss Notification transactions sent within one hour ÷ total Loss Notifications sent) * 100	Reported for CLEC, all CLECs, and Ameritech Affiliate.
<b>Measurement Type:</b>	
Tier 1 – None Tier 2 – None	
<b>Benchmark:</b>	
95% within one hour	

**Attachment 3** – Business rule document proposed by Ameritech for performance measure MI 13 on July 12, 2002 in the six-month review process.

MI13 Percent Mechanized Line Loss Notifications Returned Within One Day Of Work Completion						
Definition:						
Percent mechanized line loss notifications returned within one business day of the completion of work.						
Exclusions:						
<ul style="list-style-type: none"><li>Where CLEC accesses SBC/Ameritech – LEC’s systems using a Service Bureau Provider, the measurement of SBC/Ameritech – LEC’s performance shall not include Service Bureau Provider processing, availability or response time.</li><li>CLEC-caused misses and delays</li><li>Exclude Weekends And Holidays</li></ul>						
Business Rules:						
Days are calculated by subtracting the date the line loss notification was sent/made available to the CLEC from the work completion date. The date that the last service order associated with the LSR is provisioned is the work completion date. The calculation is based on business days, using a full 24-hour day.						
<u>This includes all products for which loss notifications are sent.</u>						
Levels of Desegregation:						
<ul style="list-style-type: none"><li>None</li></ul>						
Calculation:			Report Structure:			
# of mechanized line loss notifications returned to the CLEC within 1 day of work completion ÷ total line loss notifications) * 100			Reported for CLEC all CLECs, and SBC/Ameritech Affiliate.			
Measurement Type:						
	IL	IN	MI	OH	WI	
Tier 1	Low	Low	Med	Low	Low	
Tier 2	Low	Low	Med	Low	Low	
Benchmark:						
95% within one business day						